

*Covered Electronic Waste (CEW) Net Cost Reporting*

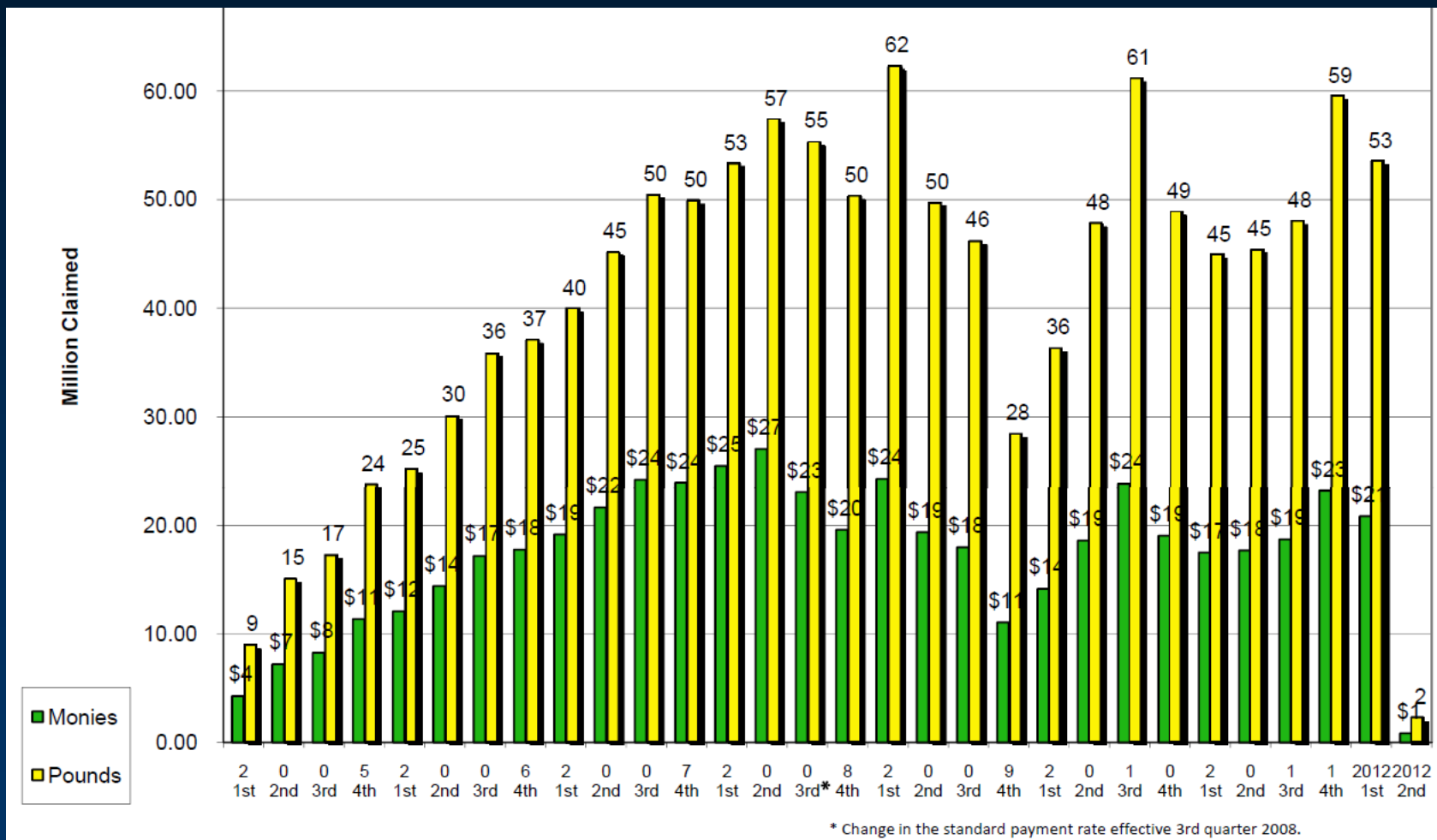
# **Further Examination of Net Cost Data: 2011 Reporting Year**



May 15, 2012

# CEW Recycling System Quarterly Volumes

- Dollars and Pounds claimed as of May 9, 2012
- ~1.2 billion pounds of CEW claimed since program inception



## 2011 Costs Calculated Using Raw\* Data (4/17)

| <b>Net Costs Reported for<br/>2011 (cents per lb)</b><br>Minus extreme outliers |          | Weighted Average | Mean | Median |
|---|----------|------------------|------|--------|
| Recovery  | Revenue  | 5.8              |      |        |
|   | Cost     | 21.7             |      |        |
|   | Net Cost | 15.9             | 18.1 | 12     |
| Recycling   | Revenue  | 12.4             |      |        |
|   | Cost     | 31.3             |      |        |
|   | Net Cost | 18.9             | 24.6 | 18     |

\* Excluded recycling costs > \$2 (2 records) and < -\$1 (0 records); recovery costs > \$2 (8 records) and < -\$1 (2 records)

# 2011 Costs Calculated Using Refined\* Data (5/15)

| <b>Net Costs Reported for<br/>2011 (cents per lb)</b><br>Minus extreme outliers, duplicate |          | Weighted Average | Mean | Median |
|--|----------|------------------|------|--------|
| Recovery   | Revenue  | 6.6              |      |        |
|  | Cost     | 22.1             |      |        |
|  | Net Cost | 15.9             | 17.9 | 12     |
| Recycling  | Revenue  | 12.7             |      |        |
|  | Cost     | 34.6             |      |        |
|  | Net Cost | 21.9             | 26.1 | 19     |

- Excluded recycling costs > \$2 (3 records) and < -\$1 (0 records); 2 faulty records removed
- Excluded recovery costs > \$2 (9 records) and < -\$1 (3 records); duplicate removed

## 2011 Costs Calculated Using Raw\* Data (4/17)

| <b>Net Costs Reported for<br/>2011 (cents per lb)<br/>High Volume</b> |          | Weighted Average | Mean | Median |
|---|----------|------------------|------|--------|
| Recovery  | Revenue  | 4.9              |      |        |
|   | Cost     | 20.7             |      |        |
|   | Net Cost | 15.8             | 17.6 | 16     |
| Recycling   | Revenue  | 12.3             |      |        |
|   | Cost     | 30.9             |      |        |
|   | Net Cost | 18.5             | 17.3 | 15     |

\* Only Collectors and Recyclers that reported handling or processing more than 1 million pounds of CEW

# 2011 Costs Calculated Using Refined\* Data (5/15)

| <b>Net Costs Reported for<br/>2011 (cents per lb)<br/>High Volume</b> |                 | <b>Weighted Average</b> | <b>Mean</b> | <b>Median</b> |
|---|-----------------|-------------------------|-------------|---------------|
| <b>Recovery</b>   | <b>Revenue</b>  | <b>4.8</b>              |             |               |
|   | <b>Cost</b>     | <b>20.7</b>             |             |               |
|   | <b>Net Cost</b> | <b>16.0</b>             | <b>17.8</b> | <b>16.5</b>   |
| <b>Recycling</b>  | <b>Revenue</b>  | <b>12.6</b>             |             |               |
|   | <b>Cost</b>     | <b>34.1</b>             |             |               |
|   | <b>Net Cost</b> | <b>21.5</b>             | <b>18.4</b> | <b>18</b>     |

- Only Collectors and Recyclers that reported handling or processing more than 1 million pounds of CEW
- Duplicate record omitted; 2 faulty recycling records omitted

# Payment Rate Considerations

## Data reflects yesteryear

- **Future costs / revenues / markets unknown**

## Wide-ranging business models

- **Do costs expand to use available funds?**

## Continuing uncertainty re: CRT costs

- **What effect will new rules have?**
- **What are the costs of non-CRT devices?**

# Upcoming Actions

## Program will draft Request for Approval

- Likely recommending no change to rates
- CalRecycle must act before July 1st

## Before August 1, 2012

- CalRecycle must decide on consumer fee
  - Currently: \$6, \$8, and \$10
  - EWRRA has excess reserves; need to reduce
  - Emergency regs by October; effective Jan 1st



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**[www.calrecycle.ca.gov](http://www.calrecycle.ca.gov)**